

MANIFESTO FOR HOUSING



LABOUR HOUSING GROUP

The Tory Party's 'conviction politics' no longer carry conviction as far as housing is concerned. But people will only turn to Labour if they are convinced it has alternative policies which will meet their needs and aspirations.

- **What is to be the future of council housing?**
- **Where do socialists stand on home ownership?**

The Manifesto discusses these and other questions crucial to the housing debate within the Labour movement. It argues that we must look beyond the traditional concepts of tenure to examine the issues that affect everyone — investment, choice, quality, access, rights and control over one's environment.

Tax on rising value of homes proposed

By Hugh Clayton, Local Government Correspondent

Home-owners should be taxed on the rising value of their homes and their mortgage tax relief should be reduced, the Labour Housing Group said in a new *Manifesto for Housing** yesterday.

The group said that such a double tax burden should be mitigated by the abolition of stamp duty, which was effectively a "tax on mobility".

Mr Steve Merritt, a lecturer and one of the authors of the manifesto, said that the group had not decided how a tax on rising house values should be levied. It might have to be done annually or when a home was sold at a profit.

But it would be done only on the part of the profit that exceeded the rise in the cost of living. If that went up by 5 per cent, while house values rose by 10 per cent, only the top 5 per cent in the housing price rise would be taxed.

The group was formed four years ago to stimulate debate about housing in the Labour movement. The other authors of the manifesto are Mr Chris Smith, Labour MP for Islington South and Finsbury, Ms Sue Goss, a Labour member of Southwark council in London, and Mr Chris Holmes, director of a campaign for the homeless.

The manifesto said that the Labour Party's housing policy had long been stuck in a groove. "The example of Margaret Thatcher stands before us: simple ideas phrased in everyday terms catch the public imagination far more readily than any complex policy document."

Labour should campaign on its belief in everyone's right to a decent home, the manifesto went on.

**Manifesto for Housing* (Labour Housing Group, 43 Anson Road, London N7; (£1.50).

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Labour Housing Group

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INTRODUCTION

It is time for the Labour Party, nationally and locally, to go back on to the offensive about housing. By any standard, the Thatcher government's housing policies have spelt disaster except for a privileged few. Growing public dissatisfaction with the Tories' wretched housing record ought to present the Labour Party with a major opportunity. But people will only turn to Labour if they are convinced it has alternative policies which will meet their needs and aspirations — and the political will to put such policies into practice.

Memories of the housing 'debate' during the 1979 and 1983 general election campaigns still send shivers down the collective spine of the Labour Party. With a lot of help from their friends in the media, the Tories took their time-worn prejudice against council housing, wrapped it up in a slogan and harvested a crop of votes from disillusioned council tenants. Since then, they have used their power in government to promote self-fulfilling prophecies: if you starve the public sector of resources it will, not unnaturally, fail to cope.

It's called conviction politics, but as far as housing is concerned it no longer carries much conviction. While the stock deteriorates, the shortage grows. Effectively presented 'populist' images, cashing in on people's desire for independence and control, do not build or repair homes. Resources, and a strategy for deploying them, are necessary to achieve that. Slowly but surely the implications of six wasted years in housing are becoming clear — to council tenants, paying through the nose for little by way of service in return; to home owners, struggling to meet the mortgage or get an improvement grant; to private tenants, watching their security of tenure dwindle; to people without a home at all, who now stand even less chance of finding one.

Twenty-five years ago these circumstances would have been a political gift for the Labour Party. But it's no longer a simple question of outbidding the Tories with housebuilding promises. We have to develop an alternative strategy that is coherent and positive. It must be visionary — yet we have to present it in attractive, straightforward language. It must look towards the twenty-first century, but at the same time be practical and workable *now*. Above all, it must be rooted in people's daily experience.

Many of the elements of such a strategy are already in place, particularly in a series of resolutions carried overwhelmingly by the Labour Party annual conference in 1984. But throughout the party considerable uncertainty persists about the future role of council housing and there is ideological confusion about home ownership. The politics of tenure are still inclined to dominate our approach.

Since its formation in 1981, the Labour Housing Group has worked hard to put housing back near the top of the Labour Party's political agenda. From the beginning, 'giving in' on the right to buy was clearly not a solution to the party's dilemma. Nor would exhortations to do 'more campaigning' get us very far by themselves. A thorough reappraisal of policy and presentation was clearly necessary, involving as many people as possible from constituency Labour parties and council Labour groups. The publication of the LHG book, *Right to a Home*, in 1984 was a significant landmark in this process because it successfully provoked the kind of debate we consider to be essential.

The publication of this *Manifesto for Housing* will, we hope, advance the debate further. It was written by LHG executive committee members Sue Goss, Chris Holmes, Steve Merrett and Chris Smith MP, and the text was edited by Ros Franey. The *Manifesto* draws together LHG's agreed policies and perspectives and explains them in a coherent and readable form. It argues that we must look beyond the traditional concepts of tenure and examine the issues that affect everyone: investment, choice, quality, access, rights, control over one's environment. A real choice between tenures of equal status and esteem, with neither having special financial privileges, is fundamental to LHG's approach. This implies both reform of housing finance and a major expansion of renting from socially accountable landlords. LHG favours the introduction of a statutory and enforceable 'right to rent', in addition to traditional social ownership and housebuilding programmes.

In a document such as this, it is inevitable that some of the ideas need considerable refinement. There are also bound to be gaps — some of which LHG is trying to fill through its network of study-groups. Comments and suggestions, and requests for LHG speakers, are very welcome. If you are not already a member, we hope you will join and participate fully in our activities.

Steve Hilditch

Chair, Labour Housing Group

1. THE CRISIS

In the last 50 years there have been major changes for the better in the way people in Britain live. The massive post-war housebuilding programme reduced housing shortage and redeveloped many thousands of slums. Local authority housing has substantially improved housing conditions and weakened — although not broken — the link between poverty and bad housing. At the same time, there has been a massive increase in the number of working people who have been able to buy their own homes.

Nevertheless, the nature of council housing has always been shaped and constrained by land and construction markets in the private sector. Inner city councils have too often been forced to solve their housing problems within their own boundaries without access to land or resources from the more affluent suburbs. The desperate need to produce housing at high densities gave powerful construction companies a free hand in the 1960s and early 1970s to experiment with new technology. High-rise flats, 'system' building, the aerial walkways of 'deck access' blocks were the outcome — with council tenants as guinea pigs.

The stop-go approach to housing investment by both Tory and Labour governments meant that housing demand was never met — there was always a shortage of decent homes to rent — and allocation policies hardened into bureaucratic systems of assessing and comparing need. Any gesture towards personal choice was swamped by the problem of how best to allocate what little there was.

The housing itself reflected the preoccupations of the (predominantly male) design professions — most of it was built for families, yet it made little provision for a family's real needs. It had nowhere for children to play, no community facilities, no private space, no gardens. What it did have in abundance was scary, half-lit walkways and underground car-parks. Shortage of money meant that developments were continually being shorn of essential details. Considerations of quantity continually overrode considerations of quality. Short-term priorities **were** reinforced by paternalistic traditions: housing was allocated in ways which weeded out the deserving from the undeserving; judged 'housekeeping standards' as

well as hardship. Tenants were treated as welfare recipients. Crucially, they were given little or no say in the sort of housing they wanted.

We now face two different types of housing crisis. The first, referred to above, is actually a legacy of these partial successes of the past, which have created a whole new set of problems only recently recognised. But there is now a second crisis. Far from tackling the emerging problems, the present Tory government is deliberately allowing them to get worse. For the first time since the Second World War, housing conditions are deteriorating year by year. Over the past six years housing has borne the brunt of cuts in public expenditure. And now, when the effects of those cuts have provoked criticism from all sides, we face a *new* round of cuts in housing investment.

Housing problems cannot be seen to be confined to a minority of the poor. It's probably true that most people will have some kind of personal housing crisis during their lifetime. And what's more, we are storing up huge problems for the future. If they are not tackled soon, they may become irreversible.

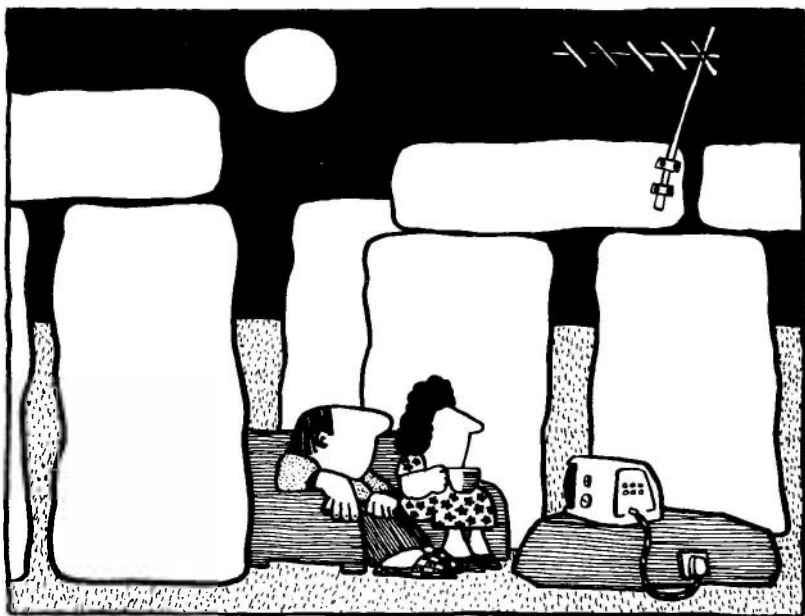
Too few homes

Not long ago, the government was talking smugly about a housing 'surplus'. Now, at the crudest estimates, the country needs 500,000 *more* homes. Yet public sector housebuilding has been allowed to fall to almost *a quarter* of the 1975 level. The fruitless search for somewhere to live is probably the foremost housing problem people face.

Even those who can afford to buy their homes find the business of house-hunting and moving difficult, costly and nerve-racking. The vagaries of estate agents, the hazards of mortgage chains and the exorbitant cost of conveyancing all impose unnecessary obstacles. Poorer and black home owners, and women, suffer also from the discriminatory practices of mortgage-lenders and find their choices limited to poorer and less attractive housing for reasons only partly to do with their lack of money.

For people who can't afford to buy at all, the problems are still worse. It is now almost impossible to find somewhere to rent from a private landlord that offers the most basic standards of comfort and security at a reasonable cost. Only the most expensive flats provide a satisfactory home — and many of those are rented out for short periods or under conditions that dodge Rent Act regulation.

Very large numbers of people are obliged to rely on local councils for access to adequate housing. Yet thanks to rigid government limits on local authority new building and acquisitions, demand for council homes has always exceeded supply. More than a million households



are registered on housing waiting-lists. In 1983, 170,000 households applied to local authorities in England alone because they were homeless, but fewer than half were given anywhere to live — and that number does not include all those single people and childless couples who didn't think it worth applying.

The housing stock: crying out for attention

The deterioration of Britain's housing stock is speeding up. Clearance programmes have been virtually abandoned; funds for improvement have been severely cut. We are not building enough homes to meet the needs of new households, let alone to replace homes that are worn out. At the present rate of replacement, every house now standing will have to last 900 years! Over a million homes in England alone have now been officially classified as unfit and many are beyond the scope of rehabilitation. Slum clearance has fallen to the level of only 20,000 dwellings a year. Across all tenures, almost 600,000 dwellings are now estimated to need repairs costing over £7,000 — and a further 2½ million need repairs of over £2,500 (1981 prices).

The worst housing of all is probably to be found among multi-occupied hostels, lodging houses and bed-sit flats, where residents are condemned to live in conditions that are overcrowded, squalid and dangerous. In the notorious Princes Lodge commercial hotel in

Limehouse, east London — now thankfully taken over by Tower Hamlets Council — 500 residents shared 16 toilets and 16 baths and families lived with up to six people in a room. Inspectors warned that the risk of a serious fire was enormous.

But in the owner-occupied sector there are now also growing problems of disrepair. Elderly home owners, in particular, live in properties which need a great deal of expensive work to keep them habitable — roofs, brickwork, pipes have worn out. Many poorer owner-occupiers lack not only the money but also the knowledge and confidence to get the work done properly, and are prey to dishonest and incompetent contractors.

Few homes in the public rented sector would be regarded by the traditional criteria as sub-standard. Yet many of them, especially those built between the wars, badly need modernising to satisfy contemporary expectations of space and comfort. However, the overriding problem now is the large number of post-war estates — particularly the deck-access and high-rise developments of the industrialised building boom — which were built to hopelessly inadequate standards. Tenants in these estates have to live with dampness, defective windows, dangerous cladding, crumbling brickwork and broken lifts, as well as costly and ineffective heating. In a National Consumer Council survey, a third of local authority tenants complained of damp or condensation. The Association of Metropolitan Authorities (AMA) estimated last year that up to a million of these 'system built' homes require extensive remedial action — including demolition of the worst properties. It estimated an average repair cost of £5,000 per unit, but detailed studies on individual estates suggest that the scale of repair may actually need to be much greater.

The nation is also faced with an unwelcome legacy from a slightly earlier period. During the late 1940s and 1950s, 500,000 homes were built with non-traditional building techniques and the government has already admitted that 170,000 of these are defective. The AMA has estimated that each one will cost an average of £10,000 to repair.

In search of security

Although most people are now free from the threat of arbitrary eviction by their landlords, many private tenants and licencees still lack security of tenure. They may fall foul of the frequently-exploited loopholes in the Rent Acts — bogus 'holiday' lets; licences for 'non-exclusive occupation'; or the provision of a nominal breakfast, which turns a bed-sit into a bed and breakfast lodging house in the eyes of the law — thereby exempting it from security. Other tenants still fall

outside the Rent Acts if their housing is tied to their employment; if they live in mobile homes, hostels or night-shelters; or if they have a resident landlord.

Many of these people can be forced to leave their homes at the whim of the landlord. They are deprived not merely of security but of their rights to get repairs done, to appeal against excessive charges or to complain about unreasonable behaviour. They know that the response may always be notice to quit.

It is commonly assumed that owner-occupiers enjoy impregnable security of tenure, but of course this is not so. With the push to home ownership, many people find themselves burdened with mortgages they cannot meet. Arrears have risen alarmingly. In 1982 — the most recent year for which total figures are available — nearly 48,000 people were taken to court for mortgage arrears and building societies re-possessed 5,950 properties. But in 1984 they re-possessed almost as many (5,230) in the first six months alone.

Living with housing stress

Housing problems are not exclusively a matter of homelessness or disrepair. Many people have to live in an environment which is isolated and in some cases unsafe. It may be cut off from reliable transport, good shops and other community facilities; or an estate with unwatched walkways, corridors and lifts, where tenants have to live with vandalism and the fear of violence. Those with most to fear — older people, women on their own, members of minority ethnic communities — are those with the least choice about where they live and the least opportunity to move.

Many estates have been designed with little concern for the way people want their housing to be. There is often no play-space for children and residents have to negotiate long internal corridors where noise is tunnelled and lights fail. Estates are often poorly maintained and inadequately cleaned because of lack of resources. Children and young people, bored by the absence of facilities and alienated by their surroundings, are edged towards vandalism and violence. Poorly designed, cheaply built flats have insufficient storage space, thin walls, poor noise insulation. Families of six or more are expected to share one living room.

Right across the tenures, housing is seldom flexible enough to meet the diverse and independent needs of modern life. Outdated assumptions about 'normal' families constrain people's existence. One in three marriages ends in divorce, yet at the moment of separation it is often housing which creates the greatest strain and the most intractable problem. Whatever the tenure, extended families,

single people wanting to share, or lone parents have real difficulty finding a suitable place to live.

For the many thousands of people with particular needs, it is often virtually impossible to get somewhere decent. Many people with disabilities, those who are mentally handicapped or mentally ill, people with drink or drug problems or ex-offenders all too often find themselves consigned to intolerable conditions in outdated, overcrowded, substandard hostels.

Women suffer particular discrimination. Building societies have always been reluctant to give women mortgages on the same terms as men. Households headed by women are in general poorer than households headed by men and have less choice in the market. At the same time, they frequently find it harder to get good council housing. Many local authorities offer single parents — most of them women — accommodation on the worst estates. Some offer fewer bedrooms than they would offer a two-parent family; it is common for a woman to be expected to share her bedroom with her child.

Black households are discriminated against across all tenures. It used to be standard practice for many private landlords to operate an overt colour bar. Now that is illegal, the practice has become more subtle. Black families have found it harder to get mortgages and many have been forced into the hands of finance companies charging interest at exorbitant rates. Disproportionate numbers of black owner-occupiers in inner cities have found themselves trapped in areas so run down that their homes have actually fallen in value. Many black families have been unable to get council housing, or have been discriminated against within the council housing system (see Section 4). Studies in the London boroughs of Hackney and Lewisham, for example, have revealed that black families are consistently allocated poorer accommodation than white families.

The costs of housing

Housing costs impose severe burdens on many people. The problem is not simply that for many poorer people the costs are higher than they can afford, but that the pattern of payments and subsidies is acutely inequitable and irrational.

Since the Tory government came to power in 1979, local authorities have been compelled to put up rents; during the past six years rents have risen much faster than prices as a whole. In most parts of the country there is now no general subsidy towards council rents. In some places, council tenants even subsidise other ratepayers from their rents. The new housing benefit scheme has actually increased the costs to households with lower incomes.

Most private tenants are even worse off. They pay more money than council tenants for accommodation which is generally inferior and often insecure. Homeless people are in the most absurd position of all — stranded for months, even years, in ‘temporary’ bed and breakfast accommodation because of the housing shortage. The State has to pick up the bills for these uncongenial establishments — and ends up paying far more than it would to provide the homeless with decent, self-contained, permanent council homes. Government efforts to cut expenditure on board and lodging now threaten even the bed and breakfast sector. Single people and childless couples will be consigned to ever filthier, more overcrowded rooms by the new arrangements. It is feared that young people — who will no longer be able to claim a lodging allowance — will be forced to sleep rough. In time, this new regime will affect families, too.

Owner-occupiers gain in the long run as the real value of their mortgage repayments declines (especially in times of high inflation) and they benefit from mortgage tax relief and other forms of state assistance. But the skewed pattern of payments tends to hit many owners with high and burdensome costs at the very time their other financial commitments — particularly for dependent children — are at their heaviest.

The need for choice and control

Housing stress goes far deeper than conventional analysis suggests. The building, financing, allocating, managing and repairing of the nation’s housing stock is riddled with irrationality and inefficiency that distorts choice and frustrates aspirations.

At the root of the difficulties, however, is injustice. People who are well-off enjoy most control, most choice and get most help. Those without wealth, whose incomes are low, experience housing poverty in its many facets. It’s not simply a question of fitness and facilities. It is a lack of choice about when and how to find a home and where to live. It is having no control over the way the home is managed and maintained. It is an absence of space, warmth, privacy, security, comfort and safety. It is the oppression of struggling to pay the rent and the heating bills; or the repair costs and the mortgage — and the anxiety about what happens if they can’t be paid. It is the fear of not being able to go out in safety. It is not being able to take pride in your home and your neighbourhood.

These problems are deeply rooted in Britain’s housing system yet they have grown tangibly worse as a result of Conservative policies since 1979. The cuts in public housing expenditure have played their own part in pushing up unemployment. Rent rises have come at a time

when many more people are being forced to rely on inadequate social security benefits. The Labour Party must expose the damage the Tories have done. But it will only succeed in reversing this process if it can put forward an alternative socialist policy that takes full account of housing stress in its widest sense and offers greater equality, more choice and access to a satisfactory home for everyone.

2. A SOCIALIST HOUSING POLICY

The Labour Housing Group believes that if the Labour Party is to shift the arguments about housing back to their proper terrain — housing need, housing investment, housing quality and choice — it must construct a coherent socialist policy based on the right of everyone to a decent home at a cost they can afford.

The statistics on housing need have been consistently manipulated in the interests of political expediency. Only by guaranteeing a statutory *right* to a home will it be possible to ensure that provision is made for the whole range of demand. Like the provision of education and health care, the provision of housing should be seen as a basic responsibility of society to all its members. This switch from a stance of municipal benevolence to legal entitlement is important if we are to remove the ‘welfarism’ of public housing provision.

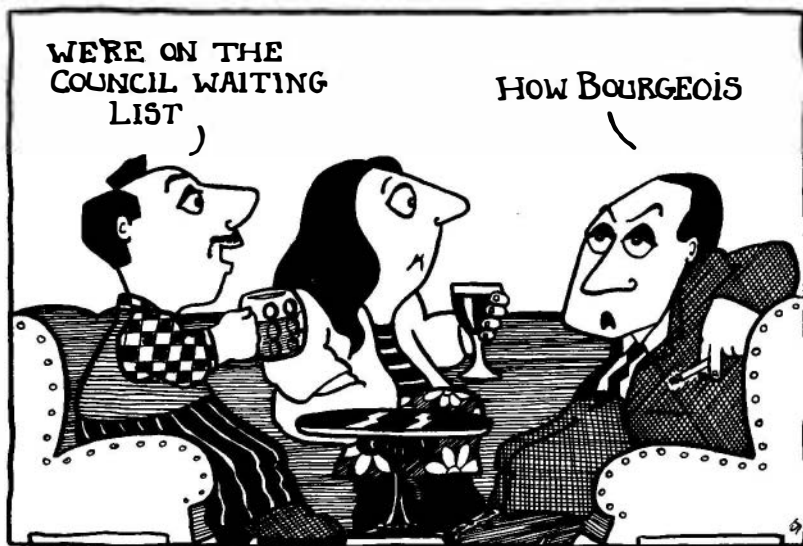
The emphasis on the rights of *everyone* to housing is crucial, because of the tendency hitherto to assess needs and make provision only for families and elderly people. Households are increasingly made up of single people, childless couples, single parents and other types of household with a wide range of different life-styles and housing needs.

‘Decent’ housing is perhaps an archaic term, but it is intended to illustrate a determination that people’s living standards will not be limited to a minimum provision — which in practice so often becomes the maximum. We are determined to break the link between poor housing and low income — and the planning, policy and financial assumptions that lead to building cheap and nasty housing for the working classes (in both public and private sectors) and good housing only for the affluent. If it is not to remain permanently obsolescent, housing must meet not only the minimum needs of the present, but also satisfy aspirations for the future.

Finally, access to housing must be at a reasonable cost. The present system of housing finance is acutely inequitable; while the highest subsidies go to wealthy owner-occupiers, general subsidies to the public rented sector have been totally abolished in most areas. Many of the poorest households are concentrated in the shrinking

private rented sector or in the worst council housing, in which they very often face housing and heating costs as high — or even higher — than people living in better accommodation. A socialist policy needs to ensure fairness in what people pay for their housing between different tenures, according to their income and to the quality of housing they enjoy.

In recent years, the Labour Party's stance has been unconvincing, primarily because of confusion about where a coherent socialist strategy lay. At one extreme there has been the simplistic argument that private ownership of housing — like the private ownership of industry — is unacceptable to socialists. But the classical socialist arguments for public ownership are inappropriate: houses are not and cannot be collectively 'lived in', nor are they collective means of production, conferring on their owners economic power over others.



It is essential therefore to reject the belief that council housing is, in some intrinsic sense, a 'working-class' or 'socialist' form of tenure. This attitude ignores the long tradition of working-class home ownership, and the fact that home ownership is now the majority tenure among some sections of the working class. After all, working-class owner-occupiers face problems of disrepair and mobility, as well as the financial crises of unemployment and fuel poverty. Conversely, the view of council housing as a socialist tenure — to be defended but not challenged — is fatally undermined by the actual experiences of many working-class people living in inadequate and oppressive council homes.

Yet it is also vital to reject the opposite approach — that owner-occupation is inherently superior and support for home ownership

should be sacred because it is a vote-winner. Tory arguments about the Labour Party being 'anti-home ownership' are taken at face value. Council house sales — even discounts — are regarded as too popular to abandon, the removal of inequalities too dangerous to attempt, and all efforts to construct a socialist housing policy then collapse in a rush to outbid the Tories in perks to home owners.

The starting point for an alternative approach is to recognise that there is no issue of principle for socialists in whether people buy or rent their homes. Yet because housing is so important in people's lives, and access to it has such a profound influence on all other aspects of their existence, socialists insist that the production and distribution of housing cannot simply be left to the play of market forces.

The rhetoric of the right claims that housing aspirations can be met by 'rolling back' the State and liberating the individual. The reality is that individual home ownership is crucially dependent on State protection and subsidies — as Margaret Thatcher implicitly recognises in her guarantee that mortgage tax relief is sacrosanct. The real problem is not too much State intervention, but forms of intervention that are misplaced and regressive.

As landlords, local authorities have tended to play too intrusive a part in the lives of their tenants, limiting choices over where people live and how their homes are run. Yet they have intervened too little to ensure the supply of sufficient homes of the quality tenants want. Too few homes have been built, too often in the wrong place, and on the terms not of the tenants but of the private contractors who built them.

Owner-occupiers have gained enormously from mortgage tax relief, as well as from discounts on council house sales, improvement grants, exemption from capital gains tax — all forms of State assistance (see Section 7). Yet the private market palpably fails to provide the number of homes or the quality of services that are required. The rising cost of housing, the fluctuations in levels of housebuilding, the poor quality of many new and converted homes, the nightmares of buying and selling, the severe problems of disrepair faced by many poorer and older owners — these are serious shortcomings of the owner-occupied sector, denied any relevant form of State intervention or support.

Social responsibility and individual rights

Housing is a precious national asset for which there must be collective responsibility. But it is also a central part of people's personal lives, something they should be free to control. The development of two rigidly distinct tenure groups — home owners and council tenants —

has divided these social and personal responsibilities unevenly. Within the limits of their resources, owner-occupiers have almost complete control over their housing and possible mobility — yet they carry total, and at times intolerable, responsibility for repairs, maintenance and improvements.

Local authorities have a wider responsibility for the extension and preservation of the housing stock and a concern for the housing needs of the whole community. But this social responsibility tends to conflict with tenants' needs to exercise control over their environment and choice over where and how they live.

The challenge for a socialist housing policy is to strike the proper balance between these individual rights and social responsibilities. This will mean, for example, intervening to help low income owner-occupiers with the repair and upkeep of their homes, and extending local authorities' responsibility for comprehensive housing provision — assessing local needs and intervening in the production and distribution of housing across all sectors. At the same time, the kind of choices available to home owners must be extended into the public sector — local authorities, housing associations and co-ops.

Tenure justice

The aim must be to create two comparable tenures in terms of choice of and access to satisfactory housing, its quality and the financial costs and benefits. At the various stages in their lives, people may prefer a different balance of freedoms and obligations; they may want to be able to move between sectors. There will have to be radical changes in current thinking and policies if that is to be achieved.

In practice, Tory policies since 1979 have dramatically widened the gulf between private affluence and public squalor — and have deliberately attempted to turn council housing into a residual 'welfare' tenure for those who can't afford to buy. At the same time, general subsidies to council housing have ended in all but the worst-off inner city areas, while subsidies to mortgagors have increased sharply.

Government policy has persistently played up people's supposed preference for home ownership and encouraged a belief that the desire to own your own home is somehow 'natural'. Not only do owner-occupiers have special privileges created by the subsidy system, but the subsidies themselves are regressive. In most places the only subsidies for council tenants are income-related, with all the attendant problems of means tests and the poverty trap. The present system of financial support pays more attention to tenure than to income, rewarding owner-occupiers but not helping the poorest.

A socialist housing policy should reverse this position. It should

remove the artificial privileges of home owners and seek to ensure equality of treatment for people with similar incomes and circumstances across the tenures. Government subsidy should be distributed to promote equality of access to all sectors of housing, rather than to exacerbate inequalities.

Equality between tenures, however, is more than a matter of financial support. Although there is high quality council housing in some areas, much of the council stock — especially in inner cities — is obsolete, poorly repaired or squalid. The quality of public rented housing should match attractive private housing. This means there must be no headlong rush by the next Labour government to tackle the housing shortage by system building or high density 'solutions'. No more slab blocks. No more Ronan Points.

It also means that priority must be given to improving the quality of existing inner city housing. This will require programmes of rehabilitation and greater subsidies for major repairs and also, where necessary, subsidy for demolishing whole networks of estates and replacing them with conventionally built houses in streets. The decline in population in the inner city has eased the problem of high densities, but hard-pressed authorities still need to build outside their boundaries. If choice is to become a reality, there will have to be sufficient investment in the public sector to end the shortage of rented housing and to provide good rented homes in suburban and rural communities as well as in inner city neighbourhoods.

Finally, public rented housing must be run in a more democratic and locally responsive way. Local authority housing departments will need to forget about playing policeman and nosey neighbour and concentrate on providing high quality, efficient services. The day-to-day running of council housing should be decentralised to the level of the estate and local area, with a major say in decisions taken collectively by tenants' associations and estate committees. The aim is to ensure that the tenant's voice is heard in deciding overall housing policies and that tenants themselves make and collectively enforce rules that are socially necessary (see Section 4).

A framework of statutory rights

The new forms of intervention to provide better homes and more sensitive services must be underpinned by a stronger framework of enforceable rights — including a new right to *rent*. Central to these rights is the duty on the local authority to secure a satisfactory home for anyone who has nowhere to live. Thus the differentiation between families and single people must be ended so that all homeless people can have access to a home. The right to a home must not depend on

how vulnerable applicants appear to be, nor on the subjective decision of a housing officer as to whether they have made themselves homeless intentionally.

The eradication of homelessness from our society must be an aim shared by all socialists; Labour must be imaginative and creative in its approach to this problem. But it must recognise that homelessness is to be tackled alongside (and not separately from) the provision of housing for all. The Labour Housing Group has concluded that where a local authority has nothing to offer from its existing stock, homeless and overcrowded households, disabled people living in unsuitable accommodation and people with urgent medical or social priority should have the right to instruct the local authority to acquire a suitable home to rent. An owner-occupier should also have the right to sell his or her home to the local authority and to continue occupying it as a tenant (see Section 6).

Satisfactory standards of space, amenities, repairs and fire safety must be enforced by mandatory duties on local authorities, with remedies for the occupants in default of action.

The right to security is vital for all tenants, giving protection against the threat of arbitrary eviction and the confidence to exercise the other rights that they possess (see Section 5). In order to match the degree of choice and control enjoyed by owners, tenants must also be given a range of individual and collective rights over the way their homes are run (see Section 4).

The Labour Party must commit itself to the belief in the right to a home for everyone. This must include a right to security, a right to satisfactory standards and a right to control. A real right to rent means that rented housing should be available in the quality and quantity, and in financial and legal terms, which make it a genuine alternative to ownership. A genuine right to buy means not only extending rights to private tenants, and making changes in mortgage arrangements and house purchase procedures, which would extend access to home ownership to those who could not otherwise afford to buy. The aim is that there should be a right to choose between different tenures and forms of housing of equal status.

3. A PROGRAMME OF INVESTMENT

The cornerstone of Labour's housing programme must be a major and sustained plan for housebuilding and renovation. Local authorities, housing associations and housing co-ops will have a key role in providing the rented homes that are needed — and reversing the savage cuts of recent years. Rigid, centralised controls over public sector housing investment must be ended so that programmes can be planned in response to local needs and demands. There should be no more limit on the freedom of public authorities to provide homes to rent than there is on the private sector to build them for sale.

One essential priority is to remedy the severe defects in existing council dwellings, including many built within the last 20 years, and to improve conditions on the run-down hard-to-let estates described above (Section 1). Equally urgent, is a major programme of replacement and rehabilitation of old and obsolescent housing in the private sector. If the process of decay is to be reversed, it is essential to develop properly planned, sensitive programmes of clearance and redevelopment in consultation with present residents.

In the privately rented sector, the Labour Housing Group believes that the only satisfactory policy is a transfer to socially responsible ownership. In many cases this must be followed by the rehousing of the present tenants, so that the dwelling can be fully repaired and improved to modern standards. Priorities for this work must be the privately rented properties which lack amenities and are in a serious state of disrepair (over 500,000 of them), and the many multi-occupied hostels, bed-sits and bed and breakfast lodging houses.

In the short-term, of course, these activities make still greater demands on the already inadequate supply of available lettings. And even when the modernisation is completed, there will be no gain in the number of homes. The overall shortage can only be reduced by a programme of new building, especially in those areas where the housing pressures are most severe.

Contrary to the widely believed myth that there is a housing 'surplus', in reality there still exists a massive unmet demand for homes in almost every area of the country. The AMA's estimate that

the current shortage is 517,000, does not take account of the demand from 'concealed' households or from people in communal establishments. In every part of the country, housing waiting lists are lengthening. Applications from homeless people are increasing. The growing numbers of young people in need of an independent home are having more and more difficulty finding anywhere to live.

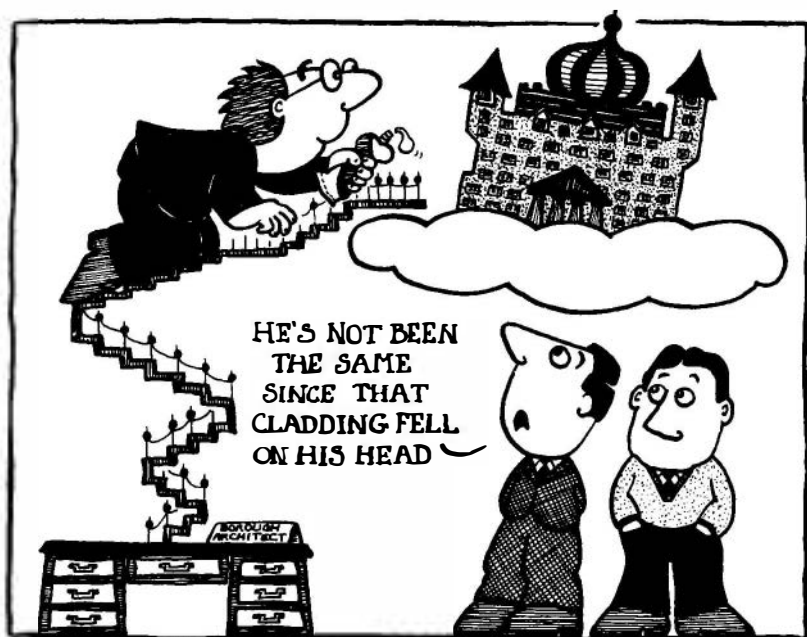
A future Labour government will also have to play a more active role than it has before in sustaining a stable programme of new homes built for sale, and ensuring that this complements the public sector programme. It will mean intervening to increase the supply of suitable land, to prevent obstructive planning difficulties by reactionary authorities and to maintain a consistent flow of mortgage finance. However, in their present pursuit of maximum profits, the private housebuilders are greedy only for the easiest and most lucrative developments — primarily green field sites. Local authorities have an important role in ensuring that homes are built on the more difficult urban sites and in meeting needs neglected by the private sector.

At least 120,000 homes will have to be built each year simply to keep pace with the growing number of households. At present, lack of accommodation is actually keeping down the numbers of newly-forming households, and any building programme will have to take account of the expanding demand — further boosted by the effects of slum clearance — before it can make any inroads into the shortage. While private builders are currently producing some 150,000 homes a year, public sector construction has fallen to less than a third of that amount. The AMA has suggested the target for an expanded public sector building programme should be 110,000 a year. Even at such a rate, it would take many years to meet the full range of unsatisfied demand.

Whether the building is public or private, its hallmark must be the highest possible quality, based on designs which people really want. There must be no return to the philosophy of crash programmes regardless of standards and quality that took place in the 1960s.

The most serious constraints will probably be imposed by the limitations of the building industry, particularly in shortage of skills. There are also risks that the decline of local authority housing development will have left the industry unprepared for new opportunities — few sites available and few plans prepared. There could also be shortages of certain materials.

The expansion of training schemes — both traditional apprenticeships and other forms of training — will therefore be a priority. It may be necessary to prepare possible licensing schemes for materials to ensure that scarce products are allocated to the most urgent projects. And local authorities must be encouraged now to start preparing, in all sectors, for the future programmes.



The problem is, of course, that although many Labour-controlled authorities will respond with enthusiasm, there will be many Tory councils with no commitment to a vigorous assault on housing problems. In some areas it may be possible to compensate for this through a strategic use of housing associations. The introduction of new statutory rights, enforcing minimum standards and requiring local authorities to secure accommodation for those with nowhere to live, will make it more difficult for councils to ignore and suppress unmet needs.

One major advance would be for every local authority to be required by law to prepare detailed annual assessments of its housing needs. This ought to include an obligation to consult local organisations and to publish its report. The production of this new form of housing plan is an initiative that Labour councils should begin now. This could serve not only as a focus for exposing more vividly the effect of the Tory cuts and the basis for local housing campaigns. It would also prepare the ground for the new techniques under a future Labour government.

This approach to future programming would render it inappropriate to set national targets for housebuilding, slum clearance, repairs to defective properties and renewal of the housing stock. The programmes should be rooted in the everyday experiences and aspirations of local communities, voiced through a process of active, democratic planning. They should project a positive vision of

socialist ideals — in the manner of the community plan for family housing at Coin Street on the South Bank of the Thames in London; the homes with gardens at low densities to replace the Hunslet Grange estate, Leeds; the housing co-ops designed and planned by their prospective tenants in Liverpool; a range of small hostels, supportive and independent housing to replace archaic, institutional hostels. In this way, the demands of campaigns can be translated into practical housing plans.

However, there is a tension between giving voice to the demands of housing campaigns and stressing the need to ensure a carefully planned high quality housing programme. Faced with the huge legacy of unmet need, a future Labour government will be under enormous pressure to satisfy these legitimate expectations as fast as possible — and once again to sacrifice quality for quantity. Yet if the only alternative is to damp down in advance the hopes of a satisfactory home, it will be impossible to give wholehearted backing to vital housing struggles or to catch people's imagination with the transformation that will be wrought by Labour's housing policies. The 'right to a home' will become just one more empty slogan.

There are no easy answers to this dilemma. Good homes cannot be built overnight. It will take years to undo the ravages of Tory cuts — not to mention the failures of local authorities and past Labour governments — and we should not pretend otherwise.

But it would be a grave omission if the opportunities for increasing the supply of social rented housing were to be confined to new building and conventional municipalisation of the older privately rented stock. Almost 1½ million homes are bought each year by owner-occupiers, the great majority of which are houses with gardens — the very type of dwelling most heavily in demand, yet lost to the rented sector through the right to buy policies of the present government. By acquiring only a small proportion of these houses, local authorities and housing associations could begin to redress the unprecedented losses of rented housing of the past six years. This might be achieved by voluntary purchases or by giving councils a statutory 'first option' to purchase any vacant dwelling put up for sale (thereby strengthening the council's position in the market and limiting inflationary pressures).

Two principal ideas underlie these approaches. First, new building alone should not be relied on to eliminate the shortage of social rented housing — especially in the light of commitment to avoid 'crash' programmes such as those of the 1960s, and to produce well-planned, sustainable developments of good quality homes in close consultation with their prospective tenants. Purchases from the private sector are the clue to resolving the dilemma between this emphasis on quality and the inevitable and justified pressure to satisfy

the enormous pent-up demand for rented housing.

Secondly, it is necessary to banish the profoundly conservative notion that public rented housing must, by definition, have been built by public authorities. If public sector housing is paralysed within this politically-determined straitjacket, it will inevitably become synonymous with unpopular flatted estates. Only an ambitious programme which combines purchase with imaginative building will bring about the evolution of a more diverse, attractive, better balanced stock of social rented housing.

4. LOCAL AUTHORITY HOUSING

Council housing makes up over a quarter of the housing stock. It has the lowest proportion of unfit accommodation. It represents the only realistic source of decent housing for many poorly housed or homeless people. It can meet the aspirations of many who simply want a decent home to rent at a price they can afford. Historically, it has made a major contribution towards the improvement of housing conditions in Britain and the provision of a home for those in housing need. Its high quality has helped to avoid the 'ghettoisation' of much public housing provision in other countries. All this positive tradition must, and will, continue.

But a good deal of the housing built in the 1960s and 1970s has been a disaster. Some local authorities, including Labour ones, have proved bureaucratic, inefficient and insensitive landlords. The Tories have deliberately used the failing of council housing to stigmatise public housing as a whole. They have encouraged anyone who can get out of council housing to do so. They have manipulated the subsidy system to force rents far above inflation. They have severely cut back on resources for local authorities to maintain and improve their stock, let alone build new houses. And they have brazenly laid the blame on council housing itself for the problems *they* have created.

At the root of many of the problems has been the shortage of council housing. How can a local authority allocate accommodation sensitively or transfer tenants who want to move, when there simply isn't enough housing to go round? A new Labour government would have to deal with the acute shortage of rented housing generally. But it would also have to understand the shortcomings of council landlordism and make equally dramatic changes in the way that housing was to be managed — the degree of tenant control, the repair services, tenants' rights and the quality of service tenants would be able to expect.

Tenants and potential tenants would be involved closely in design discussions and decisions; they might decide on the layout and details of their own future homes. Tenants would be collectively involved in the planned improvement and upkeep of their estates. They would be

consulted about rehabilitation programmes, spending priorities, environmental issues, gardens and other amenities. Women would be involved far more closely in the design process. Safety at night, security, safe play-space for children would be given the priority they deserve. As we have suggested, for certain defective or hard-to-let estates the best solution may be to demolish and rebuild. But, again, this would be carried out with the fullest involvement of the tenants concerned.

Repair and maintenance

For most tenants, day-to-day repairs are probably the single greatest source of frustration and complaint. Yet instead of strengthening tenants' rights to expect a swift and efficient repair service, the Tories' 'right to repair' throws the burden back on to the tenant — including responsibility for finding contractors, assessing what needs doing, supervising workers and, in the first instance, paying the bills — a daunting and impracticable prospect.

Labour must introduce a real 'right to repair' based on the schemes already set up by several Labour councils. There should be a tenancy agreement which specifies that repairs must be carried out within an agreed time. If the council defaults, there would be enforcement procedures, including an arbitration service, and compensation for inconvenience, time taken off work and so on. As a last resort, there should be a default power for tenants to carry out repairs themselves — or call in contractors and charge the council if it fails to perform its duties.

There have been many successful experiments in which repairs have been transferred to a neighbourhood scheme providing efficient, friendly service, which does away with complicated reporting procedures and paper-shuffling. These should be adopted by Labour authorities wherever possible. But longer-term programmes of maintenance must also be undertaken to forestall problems before they arise and to respond to patterns of particular complaint. Councils should introduce regular surveys of all their property.

With proper monitoring and accountability, direct labour organisations (DLOs) ought to be able to provide a better quality and more efficient service either than they provide at present or than the private sector would be capable of giving. DLOs are currently hampered by restrictions under the Local Government Planning and Land Act. These should be lifted. DLOs should be required to run comprehensive training and apprenticeship schemes and, where private contractors are used, similar requirements should be placed upon them.

Allocating homes

While the acute shortage of good council housing persists, the fair allocation of scarce homes will remain an insoluble problem. Tenants and prospective tenants have a right to the same choice and flexibility as owners and aspiring owners. With enough good rented housing to go round, 'rationing' would be unnecessary and people could choose a home to suit their families' requirements, jobs, schools, and move when they needed to.

In the meantime, many councils will still have to allocate scarce resources on the basis of need. However, this can be done with far more flexibility and choice than at present. Points systems and priority schemes may have to be overhauled. They tend to be treated as a 'technical' means of assessing relative need, instead of what they inevitably are and must be — a political assessment of priorities. Points systems themselves can operate unfairly, of course. They may build in discrimination against single parents and hostel dwellers, and additional points for residence (for example) can discriminate against immigrant families. Restrictions on waiting lists because of age, type of household and length of residence; 'one offer only' policies to certain applicants such as homeless households; special treatment for transfer cases — all these discriminate in particular against women and black people.

Allocation decisions tend to privilege the 'nuclear' family at the expense of everyone else. Single parents, extended families, gay and lesbian couples, single people or groups of friends wanting to share can find themselves uncatered for. People's lives may be constrained and distorted by council policies determined to force square pegs into round holes. One widespread instance of inflexibility is a council's



refusal to rehouse partners separately when a relationship breaks down — even to the point of withholding help from women who seek refuge from physical violence.

The first step towards remedying these shortcomings is to make public all points systems and allocation procedures and give tenants and waiting list applicants full access to their own files. Allocations need to be monitored carefully to guard not only against direct discrimination, but also against the unintended effects of the system. The 'grading' of families in relation to their suitability or their 'housekeeping standards' must be outlawed. In an effort to give tenants maximum choice, some authorities — notably Manchester — are operating a 'supermarket' system. Applicants are allotted points according to their need, but instead of being told where to live they are given a selection of properties to view within a certain 'price range'. The 'price' is not money, of course, as it is in the private sector, but points on the scale of housing need. The shortage of good property means it's not a perfect system, but it does increase choice.

The assumption that once people have been allocated a council home their needs will stay the same for the rest of their lives gives rise to the sense of supervision which council tenants experience. Only when it is accepted that a household's needs will change over the years can the necessary flexibility be created. All applicants should have equal access to housing regardless of their domestic circumstances; there should be provision for large households and for small and scope for contingencies such as people wanting to live next door to ageing relatives. Shared accommodation and furnished accommodation should be available for those who want it, with the necessary support. Where relationships break down within a joint tenancy, the council should make alternative accommodation available to both separating parties.

Housing management

While legislation can provide part of the answer to paternalistic, inefficient management, there is much else that can be done to improve bad practice. Local neighbourhood management offices should be given real autonomy to respond to tenants' needs and enquiries and deal with repairs and allocations. Local estates officers should be based on the estates they serve in order to provide an improved service (experiments in Walsall and several London boroughs have demonstrated the efficacy of this). But devolution to local offices calls for very different management structures, with greater responsibility for the officers that meet and deal with the public and far less referral of decisions 'down the line'. New tasks will

have to be performed, combining new skills. Training will be all-important, as local offices will need to respond to a wide range of problems — from traditional management to comprehensive welfare rights advice, including help to the homeless.

As well as decentralising housing management, local offices should be responsible to local management committees made up of tenants, councillors and trade unionists. Tenants should be able to determine priorities on their estates, plan rehabilitation programmes and environmental improvements. Tenants' representatives should be involved at all levels of decision-making on housing, co-opted as full voting members on to the housing committee and involved in policy-making — the drawing up of Housing Investment Programmes, for instance, or the setting of rents.

Tenants' rights

The rights for tenants contained in the 1980 Housing Act (drafted by Labour and subsequently watered down by the Tories) must be strengthened and extended. Tenants should enjoy individual rights at least as good as the rights of owner-occupiers in relation to security of tenure, repair and 'quiet enjoyment'. They should have access to information about council procedures and should be able to inspect and challenge their files.

They should also have collective rights. Tenancy agreements should be negotiated between local authorities and tenants' representatives and the government should publish a model tenancy agreement to assist the process. Tenants should have a right to consultation over rents, charges, improvements and investment programmes. Where a sufficient number of tenants wish to exercise some degree of collective control over running their homes, they should have the right to do so. Tenants' associations should be established as of right, and resourced by the local authority. Labour should also establish a new housing arbitration service to be used by tenants when a dispute arises with their landlord (public or private).

Racial harassment

Councils have a duty to protect tenants who are suffering from racial harassment. Local authorities ought to be monitoring this problem in close consultation with the black community, and evolving appropriate responses. In some cases, the victims of harassment may wish to be moved. Where it's possible to identify them, those perpetrating harassment should be evicted. Councils need to make

clear to the black community their commitment to anti-racist policies and to safeguarding local black households.

Rents

Under the Tories, rent levels have soared. We have discussed in the preceding section on housing finance the need to correct the balance of subsidy between the two forms of tenure. As part of this process, rents may need to be frozen for some time.

At local level, authorities should consult with tenants' representatives about any proposed rent adjustments. The way differential council rents are assessed is often arbitrary, and there may be a need to restructure rent payments within an authority without increasing the overall level of rents. Arrears recovery procedures should be operated sensitively. The housing revenue account (HRA) should carry only those costs genuinely related to the direct provision of a housing service to tenants; and HRAs should not be used (as they increasingly are) to subsidise the general rate fund. Council tenants should not have to pay through their rents for services to which they are already contributing fully through their rates.

5. RENTING FROM PRIVATE LANDLORDS

People who rent their homes from private landlords suffer the worst housing conditions in Britain. Private tenants are more likely than anyone else to live in properties that are run down, unfit and lack even basic amenities. They are more likely to be overcrowded and to have to live with several households sharing the same accommodation. They are prey to harassment and illegal eviction. Despite the protection of the Rent Acts, large numbers of private tenants still lack security of tenure and are often required to pay high rents for a low standard of housing.

The private sector has been declining since before the First World War. In 1914, 90 per cent of all households were private tenants; now only 12 per cent rent from private landlords. Contrary to popular belief, the major cause of this decline is not the Rent Acts but the bias of subsidies towards owner-occupied and local authority rented housing, and the failure of private landlords to meet peoples' rising expectation of standards.

The Labour Housing Group sees no evidence that private landlords could provide satisfactory rented homes at reasonable cost for the great majority of tenants. The slogan of the Liverpool housing co-ops aptly sums up the socialist view: 'No person is good enough to be someone else's landlord'. Policies that sought to stem the decline in privately rented accommodation by giving higher rents, favourable tax concessions or reduced security would be unacceptable — and probably ineffectual as well.

The overwhelming majority of private tenants would prefer to own their home or to rent from a local authority or some other type of socially responsible landlord. The objective of the Labour Housing Group's policy is to replace private landlords with a planned, properly phased transfer to the form and standards of housing that private tenants want.

An instant transfer of the whole private rented stock would be quite impracticable. LHG recognises that a programme of transfer might take up to 15 years. During this period priority should be given to those properties where the landlord has failed to comply with notices to bring the conditions up to an adequate standard, where he

or she has been convicted of an offence of harassment or illegal eviction, or where the accommodation has been empty for 12 months or more. In these circumstances, the local authority would have an obligation to acquire the property — by compulsory purchase if necessary.

It should also be possible for tenants to initiate the process of transfer — and to choose whether to become tenants of the local council, a registered housing association or a housing co-operative. LHG also believes, as argued earlier, that within the context of a radical policy of housing investment and housing subsidies, private tenants should also have the right to *buy* the homes they occupy.

Local authorities should be obliged to draw up and implement a programme for the phased transfer of all the privately rented properties outside these categories, with priority depending on the merits of each case. Their plans must also cover the future allocation and management of the property. The private rented sector has traditionally catered for a number of groups excluded from (or given low priority by) local authorities. In particular, this includes single people and childless couples of working age — especially more mobile people. Local authorities will have to remove restrictions on access to public rented housing for such people and adapt their policies to meet their particular needs — for instance, by providing more furnished accommodation.

There will have to be substantial spending not simply on the acquisition of privately rented properties, but to remedy the neglect by generations of private landlords. LHG believes that local councils and other socially responsible agencies must be enabled to carry out this work, without the constraints of centralised limits on capital expenditure but with the benefit of adequate revenue subsidies. This spending must be a major priority if private tenants are to enjoy adequate standards of comfort and safety in their homes.

Strengthening private tenants' rights

The replacement of private landlords is the only effective long-term approach. In the short-run, however, many tenants of private landlords are liable to suffer unacceptable exploitation and oppression, and their rights need to be strengthened. Action is also needed to control rent levels, extend security of tenure and enforce minimum standards.

Rent regulation Every letting except for those specifically exempted (see below) should have compulsorily registered rents. This would mean abolishing 'assured tenancies' — the government's way



of encouraging private rented accommodation at full market rents — and closing all loopholes in the Rent Acts for bogus ‘holiday’ lets, bed and breakfast accommodation and use of licence agreements which deny exclusive use of any part of the accommodation.

Rents should be set by a new housing court, whose membership would include adequate representation of people with experience of the problems that tenants face and who could be trusted to defend their interests. The rents would be based on a comparable scale with those in the public sector. Assessment of eligibility for housing benefit would be linked automatically to rent registration.

Security of tenure The protection of the Rent Acts against eviction should be extended to all residential occupiers — including those with licence agreements — so that landlords would only be able to recover possession if one of the specified grounds was satisfied and the housing court approved the application. The only exemptions would be tenants of genuine resident landlords, where the landlord shares kitchen, bathroom or other basic amenities with the tenant; genuine holiday lettings, where local housing needs are met by fully secure accommodation (there would be a maximum letting for each tenancy of just one month); student lettings in accommodation owned by the educational institution (the tenant would have security of tenure for the academic year, or the duration of the course, whichever were the shorter); hotels and bed and breakfast establishments, where the residents normally lived elsewhere. Every exempted letting in these categories would require an annual licence from the housing court.

tenure, except where the particular housing was essential for a new employee. In those circumstances, the tenant would be entitled to compensation for the loss of his or her home and the local authority would be obliged to provide re-housing.

Minimum standards Thirdly, all landlords should be put under a legal duty to do everything that is reasonable to ensure the safety, health and welfare of their tenants. Minimum standards should be established by statute and enforced by the housing court, with provisions to ensure that repairs and improvements are carried out within specified time limits.

Local authorities ought to be required to inspect and enforce minimum standards of safety, repair, amenities, overcrowding and management in all multi-occupied hostels, lodging houses and bed-sit flats. Evidence shows that many of the worst conditions are concentrated in these properties, and it is necessary for inspections to be repeated at regular intervals.

A charter for private tenants

Inevitably, many landlords will argue that these measures to strengthen the rights of tenants are unfair and punitive. Yet every citizen is entitled to the three basic rights of security, reasonable costs and minimum physical standards; if private landlords cannot provide accommodation on these terms, the only responsible policy is to replace them by agencies who are willing to do so. A socialist approach must unequivocally assert the rights of tenants, and their need for a secure home, over the rights of landlords to 'make a reasonable return' on property investment. Tenants' rights must be safeguarded by law now, and by a transfer to owner-occupation or social ownership over time.

6. OWNER-OCCUPATION

Owner-occupation is now by far the largest tenure in Britain. In 1985 more than 60 per cent of all households were home owners and the proportion continues to grow. Not only is it the dominant tenure for professionals, employers, managers, non-manual workers and skilled manual workers; it also houses a substantial proportion of semi-skilled and unskilled workers as well as 'economically inactive' heads of households.

In the ideological machinations of those who make money out of home ownership (principally building societies and estate agents), owning one's home is projected as the panacea for every housing problem. This is nonsense. The quality of people's housing is determined primarily by their income and financial assets; so if their income is low they are more likely to live in poor housing conditions whatever tenure they occupy.

In Section 2, above, we argued that there is nothing inherently socialist or capitalist about either local authority housing or owner-occupation. It is therefore completely irrelevant to try to establish targets as to how the population ought to be distributed between tenures. The only objective of principle is the right to a home. So the proper role for the politics of tenure, including policies specific to owner-occupation, lies in using the main forms of private and social ownership as a means to securing this fundamental right. In what follows, four major policy areas are considered: the right to buy; the cost of buying and selling; serious disrepair; and leaseholders' rights.

The right to buy

The right of council tenants to buy the house they occupy provides a critical test of our intention to escape from the trap of 'socialism in one tenure'. Certainly we advocate the repeal of the Tory Housing Acts of 1980 and 1984 with their right to buy provisions, because they are based on wholly unjustifiable financial inducements to buy and punitive policies towards those who continue to rent. Nevertheless,



our commitment to a greater degree of choice in the housing market and our rejection of tenure as an end in itself *does* suggest that, within the broader context of a socialist strategy, the right to buy can and should be re-introduced. Sitting tenants can then make their own decision whether they want a public sector landlord or wish to become home owners.

But the re-introduction of this right must only be made within the context of three major policy changes. First, there must be major revisions in the subsidy of housing. (We return to this issue in Section 7, below.) Secondly, there must be a high and sustainable rate of public housing production, both new construction and rehabilitation, thereby significantly improving the housing chances of a wide range of people. And lastly, as we discussed in Section 3, the local authority must be under a statutory duty to replace any public sector dwelling bought by an existing tenant, unless it is able to demonstrate that there is no unmet demand for rented housing in the area.

The right to buy would become available, with limited exceptions, to tenants of all local authorities, new towns and housing associations as well as to those renting from private landlords. Selling prices would be set at vacant possession market value and without a discount. Mortgages would become available from all the customary sources, as with any house purchase. At the same time, in a parallel development, owner-occupiers would have the right to sell their homes to the local authority and to continue occupying them as tenants, where they so wished.

Buying and selling

Property exchange requires expertise in legal matters, surveying, matching sellers with buyers and in mortgage finance, and a whole group of lucrative professions — the ‘exchange professionals’ — has sprung up to supply these services to the million or so transactions which take place in Britain each year. The gross annual turnover in the sale of owner-occupied housing runs into tens of billions of pounds and many fortunes have been made from having a finger in this particular pie. We believe that exchange costs can be reduced and home owners’ mobility improved by reforms in the present cumbersome arrangements for buying and selling.

First, the LHG proposes an end to the monopoly exercised by solicitors in conveyancing, with its associated overcharging. This reform, of course, has very wide support — except from the Law Society. Second, the existing Land Register for England and Wales should cover all land in these countries and should be publicly accessible (as is the Register of Sasines in Scotland). The payment of a modest fee for each search will make the service self-financing and the recording of house prices on the Register will give potential buyers a fairer means of assessing what is a reasonable price. Third, all sellers should prepare a full ‘log book’ on their houses, including legal title, a full structural survey by an independent surveyor, land register searches and answers to the questions raised by any normal enquiry. The combined effect of these three reforms should reduce the unnecessary complexity of house exchange, open it up to competition and reduce costs, while protecting both the seller’s and the buyer’s interests.

Serious disrepair

Probably the most widespread and serious problem facing the owner-occupied sector today, for both low-income and many middle-income households, is that of disrepair. Slum clearance and improvement grants have done much to reduce the scale of unfitness and to improve the range of amenities within this sector but, as we mentioned in Section 1, disrepair is on the increase again. This is particularly the case in south-east England, where 50 years have now passed since the peak of the inter-war speculative housebuilding boom. Ways must be found of expanding effective rehabilitation programmes which would break through the barriers of low household income, lack of knowledge about what is needed and the sharp practices of many cowboy builders.

triumph over red tape were launched in 1979 by Shelter in its 'Ferndale' project and the following year by Anchor Housing Trust's 'Staying Put' scheme. In the latter, now operated on a fairly wide scale across the country, the housing association provides an agency service to discuss and determine what work is to be done, liaise between the elderly person and the sources of finance (perhaps a council improvement grant, or a building society, with interest payments met by the DHSS), and commission and supervise the contractors.

Progress can be made more generally by building up within local authorities efficient and accountable direct labour organisations supplying owner-occupiers in each district with good quality and cost-effective maintenance, repair and improvement services. Municipal improvement agencies can also be set up to advise and assist home owners on standards, design, securing grants, compliance with planning procedures and management of the building process itself. Where the cost of these services is not covered by government grants, owners could be given the option of consigning to the local authority a share of the value of the house when it is eventually sold.

Two further initiatives relate to what we have called the right to sell. One, again of particular relevance to elderly home owners, is already being pursued on a small scale. The local authority buys the house, at the same time giving its elderly owner-occupier access to local sheltered accommodation. This serves two ends by giving the council scope to carry out the necessary repairs when the property is vacant, as well as reducing the under-occupation common in the private sector when the place is re-let. An alternative is for the local authority to buy owner-occupied property at a discount and in return give the former owner maintenance and rent-free accommodation in his or her own home.

Leasehold rights

Nineteenth century land development was often carried out by owners who wished to retain control of the estate. As a result, many private housing estates are leasehold rather than freehold and the occupier enjoys only a long leasehold interest. The development of planning legislation and building controls means that there is no useful function today for leasehold houses. We believe they could be prohibited in future, and the process of enfranchising present leaseholders simplified, speeded up and made cheaper.

Leasehold flats will be with us for a long time to come, however, and the system could do with some immediate improvements. The proliferation of different forms of residential lease for flats can lead

to problems when the owner wishes to sell the flat or to enforce rights against the landlord. It is high time two or three standard leases were prepared which would cover the vast majority of leasehold properties in matters of block and estate size, repair agreements and service-charge arrangements.

The standard lease could ensure that there were reliable covenants on landlords to provide effective insurance and full and adequate repairs, and give flat owners the automatic right to sell without having to go to the landlord for consent. The lease could also ensure leaseholder control of blocks of flats. Standard clauses in leases would give flat owners proper protection and define their legal position and rights. Standard leases would also further simplify the conveyancing process and cut legal costs.

A frequent source of aggravation to owner-occupiers of flats is the failure of the landlord to phase smoothly over the years the necessary maintenance and repair on an estate. This can lead to bunching of such work, with fierce increases in service charges that can easily reach four figures. One attractive option is to transfer landlord control to a collective of the flat owners, who can then determine the timing and the scope of the work. Some flat owners are now joining together to form management companies to buy out their landlord's interest in the property and take control. Legislation is necessary to make the procedure simpler and less expensive. New measures are also required to extend the right of tenants in shared ownership schemes and the owners of mobile homes.

If the reforms outlined above were to be put into practice by an incoming Labour administration, it seems clear that there would have to be a radical rethinking of the place of district councils in local private housing markets. This ought to include a self-financing unified housing service which would play a vigorous and entrepreneurial role in both exchange and rehabilitation. Such a service would include the provision of mortgage finance, estate agency using computerised facilities, independent property surveys, conveyancing, and the establishment of an improvement agency using direct labour for private sector rehabilitation. Not only would local authorities introduce the right to sell as described above, they should also purchase and re-sell owner-occupied houses to assist with interdependent chains of sales. To sum up: a new strategic, socialist perspective on owner-occupation needs to be complemented both by national legislation and by a more dynamic and interventionist role for local authorities.

7. HOUSING FINANCE

The three tenures examined in the three preceding sections are closely inter-related in many different ways, of which the complex issue of housing finance is the most important. For central and local government, as well as for every household, the cash flows of expenditure on the production, purchase or use of accommodation are a major concern. The Labour Housing Group believes that present arrangements are inequitable, divisive and wasteful and therefore that the reform of housing finance must be a priority for a socialist housing policy.

The unfairness of the current system can be illustrated by the differences in subsidy between owner-occupiers and tenants. In terms of current expenditure on general subsidies, a Treasury publication shows that in 1984/85 the sum received by council tenants and those in new towns and housing associations was some £700 million. By contrast, the main subsidies accruing to owner-occupiers took four different forms. Tax relief on mortgage interest in the same year was worth about £3,500 million; exemption from capital gains on house price increases was worth (in 1983/84) about £2,500 million; improvement and thermal insulation grants (in 1983/84) were worth more than £700 million; and discounts to households exercising the right to buy their council homes are valued at several hundred million pounds each year. Subsidies are also inequitable *between* owner-occupiers. The more expensive the house, the bigger the mortgage (up to £30,000) and the higher the income tax band, the greater is the subsidy.

Housing subsidies are also paid specifically for those on low incomes. Housing benefit in the form of rent rebates and rent allowances was worth about £2,500 million in 1984/85. But the overall financial advantages of buying rather than renting for all except those on the lower incomes are universally recognised. These inequalities are divisive. The unfairness is magnified when, in almost a hundred districts, council tenants subsidise the local rate fund through their rents. At the same time, mistakes in accounting practice cause tenants to pay directly for some local services which in other tenures are borne by the community as a whole.



Present financial arrangements are also wasteful. The lack of incentives to ensure efficient maintenance of the housing stock has exacerbated the crisis of serious disrepair in the private sector. Moreover, total housing space is in limited supply, yet we encourage under-occupation by providing inducements to owners to trade up to more expensive housing while giving no corresponding incentive to smaller households to move to less spacious accommodation.

The aims of reform

First, the distribution of housing assistance should be more progressive, so that the greater one's income, in general, the less the assistance. A much more effective means must be found of protecting low income groups. Second, there should be a clear objective of equity of treatment between tenures, moving towards an eradication of the relative financial disadvantage suffered by tenants. Third, the most efficient use of the existing stock should be encouraged by the structure of subsidy and tax, in order to reduce wasteful under-occupation and to increase the space standards of those who are overcrowded or who have to share their accommodation with other households.

Lastly, new housing production, conversion and all forms of rehabilitation including repair and improvement should be encouraged where it is most needed. This means shifting the balance in

central and local government expenditure between housing subsidy and housing investment to favour the latter. Only investment in new and rehabilitated housing raises the overall level of housing conditions. Expanded production in our great cities and towns, alongside revitalised training programmes for the construction workforce, can also play a major role in stimulating employment growth.

Creeping revolution

There is already widespread agreement that the way in which British housing is currently subsidised is inequitable and wasteful. Many people would also accept that the aims of reform should be progressive subsidies, equity between tenures, improved efficiency in using the housing stock and the expansion of production to meet need. It is in the matter of how these goals ought to be achieved that the sharpest divisions occur.

LHG believes that there is neither sufficient consensus nor the prospect of political support for reforms which attempt to revolutionise housing finance at a stroke — by introducing a universal housing allowance, for example, or an annual tax on the capital value of owner-occupied housing. As a result, progress towards fundamental reform must be achieved through organic changes which progressively modify the present system towards the objectives of greater fairness, genuine choice and a concerted assault on poor housing conditions. As well as redressing inequity between tenures, acceptable reform must respect the diversity of household circumstances within the owner-occupied sector and redistribute resources within the public sector towards areas of greatest need and highest costs.

The reforms we propose are as follows:

Across all tenures The housing benefit system must be simplified and reformed. It should be extended to cover the mortgages of low income owner-occupiers, who at present are eligible only for help with mortgage interest payments when they get into difficulties. The eligible housing costs of everyone on or below the level of supplementary benefit would then be met in full.

Changes are needed at national level in the conventions of public accounting to distinguish expenditure which consumes real resources from purely financial transactions and to ensure that in all relevant respects there is equitable treatment between the public and private sectors. New saving and borrowing arrangements should be introduced so that both public sector agencies and private owners could have the option of index-linked finance. For first-time buyers, a

mortgage scheme which was index-linked in its early years would reduce the financial burden of mortgage debt at a time when households most need help. Finally, VAT should be abolished on housing rehabilitation.

For local authority tenants There is need for the reform of local authority housing revenue accounts so as to exclude all costs which ought properly to be met by the community as a whole. A housing subsidy system should be developed for local authorities which allows them to fix their own rents at levels which can ensure broad parity of treatment with owner-occupiers. At the same time, it should remove disincentives to investment caused by the prospect of sharply rising debt repayments on new capital spending; achieve equity between different authorities, irrespective of their debt structure and housing investment history, by providing the means for redistributing resources between authorities; and abolish artificial constraints on public sector housing investment.

For other tenants The 'fair rent' system should be overhauled to ensure that rents charged by housing associations and private landlords are comparable with those of local authorities.

For owner-occupiers Mortgage tax relief should be reduced in phases by means of carefully timed changes designed to protect and assist lower-income owners, first-time buyers and those in the early years of a mortgage. Overall reduction in subsidies should concentrate on those with higher incomes, those 'trading up' and those with long-established mortgages. The real appreciation of house values should be taxed.

On the credit side for owner-occupiers, stamp duty — which amounts to a tax on mobility — should be abolished on private house transactions. A new 10-point standard should be introduced for house condition, with a strong emphasis on maintaining the fabric of the dwelling. Houses in need of substantial repair should then qualify for grants of 100 per cent on necessary work — chargeable on the eventual selling price of the house.

These proposals require detailed elaboration, of course, and it will be essential to identify more precisely who gains and who loses from particular measures. Moreover, the manner and phasing of their implementation will be influenced by broader changes in taxation and benefits and by the wider economic situation. The fundamental aims are to ensure that, irrespective of tenure, households in similar financial positions and similar housing pay broadly the same for their homes (as distinct from the savings element of house purchase), and that programmes are carried forward which reduce serious disrepair in the private sector and guarantee a satisfactory home for all.

8. WINNING THE BATTLE OF IDEAS

For many years, Labour's housing policy has been stuck in a groove. We have argued that municipal is always best, without looking more carefully at how municipal housing is run. We have concentrated on problems of quantity and have neglected issues of quality. We have been forced on to the defensive and found ourselves arguing for bureaucracy when what we needed was genuine consumer control. We have too often mounted our arguments from the local authorities' point of view, and not from that of the tenants. We have lost sight of what ought to be our starting point: people's need for a decent home of their choice.

The result has been that Labour has failed to identify itself in the electorate's mind as the party that cares about people's housing needs and aspirations, as well as with the policies best suited to achieving them. Some 25 years ago, housing was a major political and campaigning issue — and Labour was winning the debate. We can do so again.

Present-day Tories have hit on a simple and deliberately populist idea: to push for home ownership as the only decent and deserving form of tenure, with enormous incentives under a 'right to buy' strategy for public sector tenants. The success of this single theme has given the mistaken impression that the Conservative Party has a coherent housing policy. It has not. The Tories' 'popularity' on housing has ridden on the back of this one issue alone.

Such poverty of Tory policy ought to open the door to Labour not only to regain old ground but to win new territory. We can only do so if instead of seeking apologetically to counter Tory proposals as they emerge, we set out to demand the basic right we seek: a decent home for everyone. And in doing so, we have to demonstrate that Labour's are the only policies that can achieve it.

Presenting Labour's case

The campaign begins with this manifesto. The argument must be strongly and attractively presented. First, and most importantly, we



must change the terms of the debate, stop arguing on the Tories' ground and carve out new areas of discussion and our own perspective on the issues. The debate must be shifted from the debilitating arguments about the wonders of owner-occupation and the failure of council housing, and must begin to address the issues that matter most to consumers: choice, access to good housing, rights, control over one's environment.

The demands must be simply expressed. The example of Margaret Thatcher stands before us: simple ideas phrased in everyday terms catch the public imagination far more readily than any complex policy document, however brilliantly argued. Simple rhetoric works — we must make it work for the virtuous rather than the vicious. Our arguments are rooted firmly in fairness and common sense and will benefit from clear, straightforward presentation. The principle of fairness is particularly important in the matter of greater financial equality between tenures. We must, for example, spell out exactly how we intend to protect lower- and middle-income owner-occupiers from detrimental effects, and torpedo in advance the inevitable Tory attack that will claim we're going to penalise all home owners.

Campaigning

Putting the case for Labour's policies is one thing. But the arguments will only be credible if they are matched with practical support at all levels of the party for campaigns for better housing. Despite punitive restrictions from central government, Labour-controlled housing

authorities can still begin to put into practice some of the principles of this manifesto. Meanwhile, there is active work to be done throughout the country in support of local housing issues. Too often at present this backing and participation is absent.

Local constituency parties can form housing campaign groups to publicise the severity of local problems and develop strong links with tenants' and residents' organisations. One vital task is to increase people's awareness of the importance to campaign not merely for speedy solutions but for *high quality* improvements. As we discussed in Section 3, there is a potential conflict of interests between the immediate needs of people in acute housing stress and the long-term aspirations of the community. To avoid future disasters on a scale of the 1960s systems building boom, a programme of consultation and discussion is essential to put this message across.

In the meantime, Labour-controlled councils should use to the full their powers to improve conditions, increase tenant control and highlight the need to change central government policies in order to achieve lasting improvements. Opposition Labour groups can bring to public attention the difficulties many households are experiencing. They can join the campaigns and focus on the failure of Tory or Alliance administrations to deliver any support or change. The parliamentary party must resist every further move in parliament to damage the housing conditions of millions of people. It must also go further — link itself to such extra-parliamentary campaigns as those on timber-frame construction, defects in systems building, asbestos, leasehold status, the 'right to repair', or homelessness — in order to bring issues to public notice. For trade unions, the crucial campaigning point is the connection between providing better houses and the creation of jobs.

After five years of Tory government we are faced with a housebuilding programme in ruins, homelessness on an unprecedented scale, accelerating unfitness and decay, and growing inequality between the well-housed and the badly-housed. Government policies have exacerbated the problems and Labour must expose what is happening and why. Socialists *must* go on the offensive to demand improved housing conditions and genuine access for all, and to argue for the policies that will achieve these aims.

Criticism is easy. But Labour has a more important and more difficult task. Our starting point is the right of everyone to the choice of a decent home. Upon that basic premise, Labour's policies and arguments can build a positive, coherent alternative. Housing issues present the Labour Party with an opportunity to win the political argument and attract popular support. We must now seize that opportunity.

The Labour Housing Group

The Labour Housing Group was formed in 1981 to promote discussion of housing policy within the Labour movement and to work locally and nationally for the implementation of socialist housing policies.

Membership of the Group is open to individual members of the Labour Party, and to the party's constituent organisations (eg constituency Labour parties, district parties, Labour groups, branches of affiliated trade unions). Applications for membership should be made to Terry Deane, 99 Shirland Road, London W9. Annual subscriptions are £10 for organisations; £5 for individuals (£2.50 unwaged).

NAME

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Homelessness

- A Plan for Action

a pamphlet by members of the Labour Housing Group

L.H.G.'s Homelessness Working Group has submitted policy proposals on homelessness to the Labour Party, in preparation for an NEC Statement on Housing to the 1985 Annual Conference.

As well as demanding better and extended use of the present law, we propose a new Housing Rights Act, giving all homeless people the right to a home. This pamphlet sets out the case for these policies, both for implementation now, and for action by the next Labour Government.

Labour needs positive and imaginative homelessness policies. Brief yourself and your colleagues by ordering copies of this pamphlet, using the order form below. (Ring 0992 39377 if you would like to know more about the Homelessness Group).

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